

MEMO

DATE: May 3, 2007
TO: Regional Council
FROM: Wayne Moore, Chief Financial Officer, (213) 236-1804, moore@scag.ca.gov
SUBJECT: CFO Monthly Report for March 2007

BACKGROUND:

Accounting:

The Accounting Division commenced utilization of the check-signing machine for checks of \$10,000 or less. We also commenced use of Positive Pay for both the general and payroll accounts at Bank of the West. In this anti-fraud procedure, we transmit to the bank a list of authorized checks. No other checks are honored when presented for payment.

Accounting provided documentation to the California Division of FHWA concerning an audit of an RTC ITS project. No findings were noted.

The CFO has implemented a follow-up regime to the recently-developed contract status report. Budget and Grants and Contracts will encourage project managers and contract administrators, respectively, to expedite billings to SCAG. In a related effort, Accounting is in the process of completing a handbook for the sub-regions that is intended to be a resource aimed at the same outcome.

The annual underwriting information report was submitted to the California Joint Powers Insurance Authority. Preparation for the interim annual financial audit began of SCAG's FY07 financial statements.

Budget and Grants prepared and submitted FY 06-07 OWP Amendment 4 and obtained approval in a record one week's time. Coordination of the preparation of the 3rd Quarter progress report was initiated in mid-March with instructions and technical assistance provided to program staff. Budgets and Grants met with the staff of the Information Services Department and identified the improvements and enhancements to the budget system that are needed for FY07-08 Budget Development.

Budget & Grants participated in the monthly Subregional Coordinators Meeting and provided information regarding the Continuing Cooperative Agreement process for FY 07-08, project implementation timelines and deferred projects schedule.

Grant development work continued in collaboration with program staff and other local agencies to prepare an application for USDOT Urban Partnership Designation and for grant

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funding under the Value Pricing and Intelligent Transportation Systems Operational Testing to Mitigate Congestion Program (ITS-OTMC).

Contracts:

During the month the contracts department awarded 11 contracts, issued 7 contract amendments, as well as 5 Requests for Proposal (RFPs). Sr. Contracts Administrator Sandee Scott, hosted a Disadvantage Business Enterprise (DBE) Cluster Meeting, and completed a DBE Utilization Report.

FISCAL IMPACT:

There is no fiscal impact.

Reviewed by:



Chief Financial Officer

**Southern California Association of Governments
Total Budget vs. Actual Expenditures and Encumbrances
For the Nine Months Ending March 31, 2007**

Line Item Description	a Original Budget	b Approved Changes	c Pending Changes	(a+b+c) d Forecasted Budget	e Expenditures	f Encumbrances	(d-e-f) g Budget Balance	h % Budget Remaining
Salaries and Fringe Benefits	\$15,293,452	\$356,233	\$ 100,000	\$15,749,685	\$9,798,141	\$ 252,387	\$5,699,157	36%
Consultants & Professional Services	17,799,082	1,024,755	\$ -	18,823,837	4,144,098	11,778,525	\$2,901,214	15%
Sub Region Consultants & Staff Projects	4,268,112	(180,000)	\$ -	4,088,112	169,603	3,447,524	\$470,985	12%
Direct & Indirect Costs	5,379,519	(293,181)	\$ (100,000)	4,986,338	2,760,857	1,031,960	\$1,193,521	24%
All Other	3,875,094	1,038,764	\$ -	4,913,858	1,109,439	-	\$3,804,419	77%
Total	\$ 46,615,259	\$ 1,946,571	\$ -	\$ 48,561,830	\$ 17,982,138	\$ 16,510,396	\$ 14,069,296	29%

- 1) Encumbrances are the remaining balances of contracts or purchase orders and are used for project budgeting purposes only.
- 2) OWP Admin Amend 1 approved by Caltrans on August 15, 2006.
- 3) OWP Admin Amend 2 approved by Caltrans on December 7, 2006.
- 4) OWP Admin Amend 3 approved by Caltrans on March 15, 2007.
- 5) OWP Admin Amend 4 approved by Caltrans on March 27, 2007.
- 6) General Fund budget changes due to RHNA staff and travel.

**Southern California Association of Governments
General Fund Budget vs. Actual Expenditures and Encumbrances
For the Nine Months Ending March 31, 2007**

	a	b	c	(a+b+c) d	e	f	(d-e-f) g	h
Line Item Description	Original Budget	Approved Changes	Pending Changes	Forecasted Budget	Expenditures	Encumbrances	Budget Balance	% Budget Remaining
Salaries and Fringe Benefits	\$100,000	\$ 265,001	\$ 100,000	\$ 465,001	\$429,563	\$ -	\$35,438	8%
Consultant and Professional Services	513,050	25,000	-	538,050	223,330	209,085	\$105,635	20%
Regional Council (RC) Support	304,800	45,000	-	349,800	125,527	42,393	\$181,880	52%
RC Special Projects and Sponsorships	109,800	(10,000)	-	99,800	34,461	52,500	\$12,839	13%
All other Budget Categories	493,953	(325,000)	(100,000)	68,953	31,224	-	\$37,729	55%
Total	\$ 1,521,603	\$ 1	\$ -	\$ 1,521,604	\$ 844,105	\$ 303,978	\$ 373,521	25%

- 1) Encumbrances are the remaining balances of contracts or purchase orders and are used for project budgeting purposes only.
- 2) General Fund budget changes due to RHNA staff and travel.

**Budget v. Actual and Encumbrances
Through March 2007**

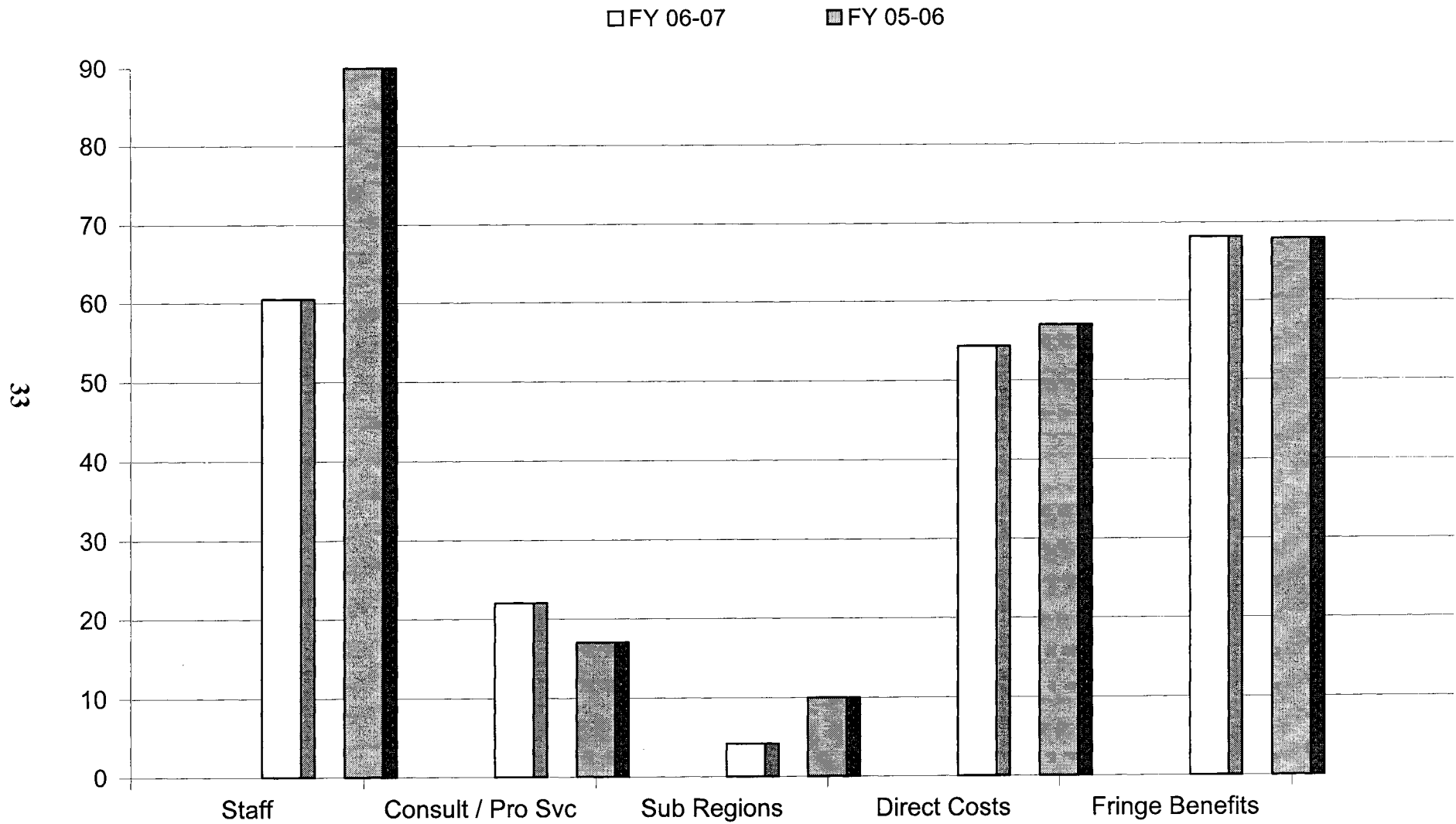
	Original Budget	Budget Changes	Revised Budget	Yr to Date Expenditures Thru Mar	Balance	Pct of Bud	Encum- brances	YTD Expenditures Plus Encumbrs	Balance	Pct of Bud
Staff										
Salaries	10,605,287	276,233	10,881,520	6,528,370	4,353,150	60%	-	6,528,370	4,353,150	60%
Temporary Help	395,920	80,000	475,920	342,369	133,551	72%	252,387	594,756	(118,836)	125%
	11,001,207	356,233	11,357,440	6,870,739	4,486,701	60%	252,387	7,123,126	4,234,314	63%
Consultant / Professional Services										
SCAG Consultant	17,254,082	1,054,255	18,308,337	3,997,073	14,311,264	22%	11,595,137	15,592,210	2,716,127	85%
Legal Services	535,000	(25,000)	510,000	144,025	365,975	28%	164,145	308,170	201,830	60%
Professional Services	10,000	(4,500)	5,500	3,000	2,500	55%	19,243	22,243	(16,743)	404%
	17,799,082	1,024,755	18,823,837	4,144,098	14,679,739	22%	11,778,525	15,922,623	2,901,214	85%
Sub Regions										
Subregional Consultant	3,021,696	(75,058)	2,946,638	127,203	2,819,435	4%	2,361,543	2,488,746	457,892	84%
Subregional Staff Projects	1,246,416	(104,942)	1,141,474	42,400	1,099,074	4%	1,085,981	1,128,381	13,093	99%
	4,268,112	(180,000)	4,088,112	169,603	3,918,509	4%	3,447,524	3,617,127	470,985	88%
Direct Costs										
Internet Access Fees	3,000	-	3,000	1,862	1,138	62%	1,217	3,079	(79)	103%
Software Support	506,363	(80,000)	426,363	106,341	320,022	25%	3,087	109,428	316,935	26%
Hardware Support	57,000	-	57,000	33,390	23,610	59%	27,532	60,922	(3,922)	107%
Repair - Maintenance	0	-	0	0	0	0%	-	0	0	0%
Software Purchases	30,000	-	30,000	25,648	4,352	85%	10,688	36,336	(6,336)	121%
Office Rent - Main Office	1,200,807	-	1,200,807	948,881	251,926	79%	118,389	1,067,270	133,537	89%
Office Rent - Satellite Office	56,000	-	56,000	44,026	11,974	79%	6,143	50,169	5,831	90%
Equipment Leases	511,247	-	511,247	340,383	170,864	67%	119,262	459,645	51,602	90%
Equipment Repairs	34,730	-	34,730	9,714	25,016	28%	7,008	16,722	18,008	48%
Insurance	183,985	-	183,985	181,775	2,210	99%	-	181,775	2,210	99%
Payroll and Bank Process Fee	34,500	-	34,500	19,817	14,683	57%	-	19,817	14,683	57%
Office Supplies	115,500	-	115,500	83,500	32,000	72%	84,440	167,940	(52,440)	145%
Office Maintenance	-	-	-	-	-	0%	-	-	0	0%
Small Office Purchase	496,095	-	496,095	90,543	405,552	18%	346,135	436,678	59,417	88%
Telephone Charges	90,526	-	90,526	51,474	39,052	57%	220	51,694	38,832	57%
Postage and Delivery	82,000	-	82,000	47,720	34,280	58%	28,333	76,053	5,947	93%
SCAG Memberships	97,814	-	97,814	80,104	17,710	82%	-	80,104	17,710	82%
Professional Memberships	10,980	-	10,980	3,985	6,995	36%	584	4,569	6,411	42%
Resource Materials and Subs	43,550	-	43,550	75,652	(32,102)	174%	113,780	189,432	(145,882)	435%
Depreciation - Furniture	5,000	-	5,000	8,695	(3,695)	174%	-	8,695	(3,695)	174%
Depreciation - Computer	40,000	-	40,000	33,990	6,010	85%	-	33,990	6,010	85%
Amortization Lease	0	-	0	1,722	(1,722)	0%	-	1,722	(1,722)	0%
Capital Outlay	44,000	-	44,000	-	44,000	0%	-	0	44,000	0%
Recruitment Notices	25,000	-	25,000	9,825	15,175	39%	12,573	22,398	2,602	90%
Public Notices	65,000	(8,000)	57,000	1,022	55,978	2%	4,600	5,622	51,378	10%
Staff Training	181,000	62,500	243,500	130,318	113,182	54%	28,822	159,140	84,360	65%
RC & Committee Meetings	22,000	-	22,000	10,437	11,563	47%	13,005	23,442	(1,442)	107%
RC Retreat	17,500	-	17,500	1,000	16,500	6%	14,000	15,000	2,500	86%
RC General Assembly	17,500	-	17,500	750	16,750	4%	14,950	15,700	1,800	90%

**Budget v. Actual and Encumbrances
Through March 2007**

	Original Budget	Budget Changes	Revised Budget	Yr to Date Expenditures Thru Mar	Balance	Pct of Bud	Encum- brances	YTD Expenditures Plus Encumbrs	Balance	Pct of Bud
Other Meeting Expense	46,500	39,400	85,900	26,425	59,475	31%	3,489	29,914	55,986	35%
Miscellaneous	168,583	3,219	171,802	16,534	155,268	10%	5,630	22,164	149,638	13%
RC Meeting Stipends	130,000	-	130,000	75,265	54,735	58%	-	75,265	54,735	58%
Letter of Credit Interest	75,000	-	75,000	5,000	70,000	7%	-	5,000	70,000	7%
Caltrans Rapid Pay Fees	1,000	-	1,000	675	325	68%	-	675	325	68%
Cash Contributions to Projects	346,839	(325,000)	21,839	(1,574)	23,413	-7%	-	(1,574)	23,413	-7%
Printing	190,000	4,500	194,500	56,573	137,927	29%	15,223	71,796	122,704	37%
Travel	305,400	20,200	325,600	163,456	162,144	50%	-	163,456	162,144	50%
Travel - Lod > Per Diem	3,000	-	3,000	3,085	(85)	103%	-	3,085	(85)	103%
Travel - Event Registration	28,800	-	28,800	38,383	(9,583)	133%	350	38,733	(9,933)	134%
NARC BOARD EXPENSE	3,500	-	3,500	-	3,500	0%	-	-	3,500	0%
RC Special Projects	18,000	-	18,000	10,662	7,338	59%	50,000	60,662	(42,662)	337%
RC Sponsorships	91,800	(10,000)	81,800	23,799	58,001	29%	2,500	26,299	55,501	32%
	5,379,519	(293,181)	5,086,338	2,760,857	2,325,481	54%	1,031,960	3,792,817	1,293,521	75%
Fringe Benefits										
Vacation Accrual Reconciliatio	-	-	-	0	0	0%	-	0	0	0%
Severance Pay	-	-	-	0	0	0%	-	0	0	0%
Sick Leave Payback	-	-	-	0	0	0%	-	0	0	0%
Compensation Awards	-	-	-	7,539	(7,539)	0%	-	7,539	(7,539)	0%
Retirement - PERS	1,958,949	-	1,958,949	1,294,013	664,936	66%	-	1,294,013	664,936	66%
Retirement - PARS	58,045	-	58,045	59,408	(1,363)	102%	-	59,408	(1,363)	102%
Health Insurance	1,185,855	(260,000)	925,855	569,125	356,730	61%	-	569,125	356,730	61%
Dental Insurance	117,067	-	117,067	66,696	50,371	57%	-	66,696	50,371	57%
Vision Insurance	39,159	-	39,159	19,867	19,292	51%	-	19,867	19,292	51%
Life Insurance	95,000	-	95,000	57,589	37,411	61%	-	57,589	37,411	61%
Medical & Dental Cash Rebate	240,000	260,000	500,000	420,734	79,266	84%	-	420,734	79,266	84%
Medicare Tax	157,977	-	157,977	96,224	61,753	61%	-	96,224	61,753	61%
Tuition Reimbursements	5,000	-	5,000	3,000	2,000	60%	-	3,000	2,000	60%
Bus Passes	23,250	(12,500)	10,750	9,555	1,195	89%	-	9,555	1,195	89%
Carpool Reimbursements	4,120	-	4,120	1,925	2,195	47%	-	1,925	2,195	47%
Bus Passes - Taxable	54,000	12,500	66,500	49,416	17,084	74%	-	49,416	17,084	74%
Workers Comp Insurance	236,900	-	236,900	234,722	2,178	99%	-	234,722	2,178	99%
Misc. Employee Benefits	11,923	-	11,923	(7,850)	19,773	-66%	-	(7,850)	19,773	-66%
Unemployment Insurance	25,000	-	25,000	(1,409)	26,409	-6%	-	(1,409)	26,409	-6%
Deferred Comp Match	76,500	-	76,500	44,510	31,990	58%	-	44,510	31,990	58%
Benefit Administration Fees	3,500	-	3,500	2,338	1,162	67%	-	2,338	1,162	67%
	4,292,245	-	4,292,245	2,927,402	1,364,843	68%	-	2,927,402	1,364,843	68%
Other										
Soft Match Contributions	4,025,853	203,136	4,228,989	1,098,273	3,130,716	26%	-	1,098,273	3,130,716	26%
Exp - Local cash	165,625	148,212	313,837	11,166	302,671	4%	-	11,166	302,671	4%
Reconcile to Burden	(316,384)	687,416	371,032	0	371,032	0%	-	0	371,032	0%
	3,875,094	1,038,764	4,913,858	1,109,439	3,804,419	23%	0	1,109,439	3,804,419	23%
Grand totals:	46,615,259	1,946,571	48,561,830	17,982,138	30,579,692	37%	16,510,396	34,492,534	14,069,296	71%

Southern California Association of Governments
Agency Wide Comparison

% of Budget Spent @ 75% of year



**Budget v. Actual and Encumbrances
General Fund Only
Through March 2007**

	Original Budget	Budget Changes	Revised Budget	Yr to Date Expenditures Thru Mar	Balance	Pct of Bud	Encum- brances	YTD Expenditures Plus Encumbrs	Balance	Pct of Bud
Staff										
Salaries	31,264	144,147	175,411	143,576	31,835	82%	-	143,576	31,835	82%
Fringe Burden	17,239	29,856	47,095	75,334	(28,239)	160%	-	75,334	(28,239)	160%
Indirect Burden	51,497	90,998	142,495	210,653	(68,158)	148%	-	210,653	(68,158)	148%
	<u>100,000</u>	<u>265,001</u>	<u>365,001</u>	<u>429,563</u>	<u>(64,562)</u>	<u>118%</u>	<u>-</u>	<u>429,563</u>	<u>(64,562)</u>	<u>118%</u>
Consultant / Professional Services										
SCAG Consultant	313,050	25,000	338,050	201,932	136,118	60%	105,482	307,414	30,636	91%
Legal Services	200,000	-	200,000	21,398	178,602	11%	103,603	125,001	74,999	63%
Professional Services	-	-	-	-	-	0%	-	-	-	0%
	<u>513,050</u>	<u>25,000</u>	<u>538,050</u>	<u>223,330</u>	<u>314,720</u>	<u>42%</u>	<u>209,085</u>	<u>432,415</u>	<u>105,635</u>	<u>80%</u>
Regional Council Support										
TRAINING	25,000	25,000	50,000	-	50,000	0%	-	-	50,000	0%
RC & Committee Meetings	22,000	-	22,000	10,352	11,648	47%	13,005	23,357	(1,357)	106%
RC Retreat	17,500	-	17,500	1,000	16,500	6%	14,000	15,000	2,500	86%
RC General Assembly	17,500	-	17,500	750	16,750	4%	14,950	15,700	1,800	90%
Other Meeting Expense	20,000	10,000	30,000	3,118	26,882	10%	42	3,160	26,840	11%
Miscellaneous	21,500	-	21,500	5,736	15,764	27%	396	6,132	15,368	29%
RC Meeting Stipends	130,000	-	130,000	75,265	54,735	58%	-	75,265	54,735	58%
Travel	40,800	10,000	50,800	23,971	26,829	47%	-	23,971	26,829	47%
Travel - Lod. > Per Diem	3,000	-	3,000	3,085	(85)	103%	-	3,085	(85)	103%
Travel - Event Registration	4,000	-	4,000	2,250	1,750	56%	-	2,250	1,750	56%
AMPO Board Expense	-	-	-	-	-	0%	-	-	-	0%
NARC BOARD EXPENSE	3,500	-	3,500	-	3,500	0%	-	-	3,500	0%
	<u>304,800</u>	<u>45,000</u>	<u>349,800</u>	<u>125,527</u>	<u>224,273</u>	<u>36%</u>	<u>42,393</u>	<u>167,920</u>	<u>181,880</u>	<u>48%</u>
RC Special Projects and Sponsorships										
RC Special Projects	18,000	-	18,000	10,662	7,338	59%	50,000	60,662	(42,662)	337%
RC Sponsorships	91,800	(10,000)	81,800	23,799	58,001	29%	2,500	26,299	55,501	32%
	<u>109,800</u>	<u>(10,000)</u>	<u>99,800</u>	<u>34,461</u>	<u>65,339</u>		<u>52,500</u>	<u>86,961</u>	<u>12,839</u>	
All Other Budget Categories										
Payroll Bank Fees	4,500	-	4,500	4,262	238	95%	-	4,262	238	95%
Office Supplies	-	-	-	247	(247)	0%	-	247	(247)	0%
SCAG Memberships	22,614	-	22,614	22,614	-	100%	-	22,614	-	100%
Capital Outlay	44,000	-	44,000	-	44,000	0%	-	-	44,000	0%
Recruitment Notice	-	-	-	-	-	0%	-	-	-	0%
Letter of Credit Interest	75,000	-	75,000	5,000	70,000	7%	-	5,000	70,000	7%
Caltrans Rapid Pay Fees	1,000	-	1,000	675	325	68%	-	675	325	68%
Cash Contributions to Projects	346,839	(325,000)	21,839	(1,574)	23,413	-7%	-	(1,574)	23,413	-7%
	<u>493,953</u>	<u>(325,000)</u>	<u>168,953</u>	<u>31,224</u>	<u>137,729</u>	<u>18%</u>	<u>-</u>	<u>31,224</u>	<u>137,729</u>	<u>18%</u>
Grand totals:	<u>1,521,603</u>	<u>1</u>	<u>1,521,604</u>	<u>844,105</u>	<u>677,499</u>	<u>55%</u>	<u>303,978</u>	<u>1,148,083</u>	<u>373,521</u>	<u>75%</u>